

Under the provisions of Section 413.031 of the Texas Workers' Compensation Act, Title 5, Subtitle A of the Texas Labor Code, effective June 17, 2001 and Commission Rule 133.305, titled Medical Dispute Resolution-General, and 133.307, titled Medical Dispute Resolution of a Medical Fee Dispute, a review was conducted by the Medical Review Division regarding a medical fee dispute between the requestor and the respondent named above.

### **I. DISPUTE**

1. a. Whether there should be reimbursement of \$250.00 for dates of service 11/17/01 through 12/16/01.
- b. The request was received on 03/15/02.

### **II. EXHIBITS**

1. Requestor, Exhibit I:
  - a. TWCC 60 and Undated Statement of Disputed Issue
  - b. HCFA(s)-1500
  - c. TWCC 62 forms/Medical Audit summary dated 02/11/02
  - d. Medical Records
  - e. Any additional documentation submitted was considered, but has not been summarized because the documentation would not have affected the decision outcome.
2. Respondent, Exhibit II:
  - a. TWCC 60 and Responses to the Request for Dispute Resolution dated 03/20/02 and 04/03/02
  - b. Any additional documentation submitted was considered, but has not been summarized because the documentation would not have affected the decision outcome.
3. The Commission's case file contains no Notice of the Request of Medical Dispute Resolution sign sheet. In a telephone call to the carrier representative on 07-25-02, she confirmed that the carrier did not submit a 14 day response to the medical request for dispute. The carrier did submit two initial responses dated 03/20/02 and 04/03/02.

### **III. PARTIES' POSITIONS**

1. Requestor: Undated Statement of Disputed Issue:

“(ii) Payment has been denied stating charges will exceed \$500.00 based on the previous month's rental charges for the device and therefore require preauthorization. However, the previous month's rental charge for this device was \$250.00. Since the denied charge is also \$250.00 charges do not exceed \$500.00.”

2. Respondent: Letter dated 04/03/02:  
 “The (Carrier) received a TWCC-60 from the above-mentioned requester. Pursuant to Commission rule [sic] 133.307 (e)(2)...(e)(3) the (Carrier) files the attached, completed TWCC-60 and related items.”

#### IV. FINDINGS

- Based on Commission Rule 133.307(d) (1) (2), the only dates of service eligible for review are those commencing on 11/17/01 and extending through 12/16/01.
- The provider billed a total of \$250.00 for the dates of service in dispute.
- The carrier did not reimburse the provider for the disputed dates of service. The EOB denial code is “A – PREAUTHORIZATION REQUIRED BUT NOT REQUESTED.” A medical audit dated 02/11/02 stated, “...Accumulated total on 11/17/01 exceeded \$500.00 therefore preauthorization was required. Since no rental was allowed on 11/17/01, supplies are unnecessary.”
- The amount in dispute per the TWCC-60 is \$250.00.
- The following table identifies the disputed services and Medical Review Division's rationale:

DOS	CPT or Revenue CODE	BILLED	PAID	EOB Denial Code(s)	MARS	REFERENCE	RATIONALE:
11/17/01 through 12/16/01	E1399	\$250.00	\$0.00	A	DOP	Rule 134.600 (h) (13); MFG DME GR (VIII)	Per MFG DME (VIII) “DME supplies shall be itemized and billed under the appropriate HCPCS code.” Rule 134.600 does state that all DME in excess of \$500.00 requires preauthorization. When a provider orders the rental of DME for a period of time at \$500.00 or less, preauthorization is not required. If the provider extends the rental and the cost exceeds \$500.00, then preauthorization is required. The provider billed \$250.00 for the rental of DME from 10/17/01 to 11/16/01. The provider then billed \$250.00 for the rental of the DME for the referenced dates of service. For the two months worth of rental (\$250.00 + \$250.00), the provider did not exceed the \$500.00 total for the rental of DME, therefore, the provider does not require preauthorization for the disputed dates of service. Reimbursement in the amount of <b>\$250.00</b> is recommended.
<b>Totals</b>		\$250.00	\$0.00				The Requestor is entitled to reimbursement in the amount of <b>\$250.00</b> .

**V. ORDER**

Pursuant to Sections 402.042, 413.016, 413.031, and 413.019 the Medical Review Division hereby ORDERS the Respondent to remit \$250.00 plus all accrued interest due at the time of payment to the Requestor within 20 days receipt of this order.

This Order is hereby issued this 25th day of July 2002.

Donna M. Myers, B.S.  
Medical Dispute Resolution Officer  
Medical Review Division

DMM/dmm

This document is signed under the authority delegated to me by Richard Reynolds, Executive Director, pursuant to the Texas Workers' Compensation Act, Texas Labor Code Sections 402.041 - 402.042 and re-delegated by Virginia May, Deputy Executive Director.